Heber Light and Power Electric Service Rule No. 14

NET METERING

General Provisions

Heber Light and Power will offer Net Metering to its customers that generate electricity using renewable sources and providing that those customers' generating facilities do not exceed 25kW or exceed the customer's peak electricity needs.

The Net Metering program will be available to customers on a first come, first serve basis and the total amount of capacity available for net metering shall not exceed 0.1 percent the utility's total generating capacity.

Meters and Metering

Heber Light and Power will provide special metering equipment to measure the flow of electricity in both directions. Heber Light and Power will typically only provide one meter per customer, however additional meters may be installed at the customer's request and expense.

Basic information and application forms can be obtained from Heber Light and Power.

The customer shall provide at the customer's expense all equipment necessary to meet applicable local and national standards regarding electrical and fire safety, power quality and interconnection requirements established by the National Electric Code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories and Heber Light and Power.

Interconnection Conditions

For the customers having generating facilities described above, Heber Light and Power will approve interconnection to its system upon the following conditions being met.

The aggregate generation capacity on the distribution circuit to which the Customer Generating Facility will interconnect, including the capacity of the Customer Generating Facility, shall not contribute more than 10% to the distribution circuit's maximum fault current at the point on the high voltage (primary) level that is nearest the proposed point of common coupling as determined by the Company.

A Customer Generating Facility's point of common coupling shall not be on a transmission line or a spot network.

If a Customer Generating Facility is to be connected to a radial distribution circuit, the aggregate generation capacity connected to the circuit, including that of the Customer Generating Facility, shall not exceed 10% (15% for solar electric generation) of the circuit's total annual peak load, as most recently measured at the substation.

If a Customer Generating Facility is to be connected to a single-phase shared secondary, the aggregate generation capacity connected to the shared secondary, including the Customer Generating Facility, shall not exceed 20 kilovolt-amps (kVA).

If a single-phase Customer Generating Facility is to be connected to a transformer center tap neutral of a 240 volt service, the addition of the Customer Generating Facility shall not create an imbalance between the two sides of the 240 volt service of more than 20% of nameplate rating of the service transformer.

Certification of customer-generator facilities

In order to qualify for interconnection, a Customer Generating Facility must be certified as complying with the following standards, as applicable:

- (A) IEEE 1547, Standard for Interconnecting Distributed Resources with Electric Power Systems, as amended and supplemented, which is incorporated by reference herein. IEEE standard 1547 can be obtained through the IEEE website at www.ieee.org; and UL 1741, Inverters, Converters, and Controllers for Use in Independent Power Systems (January 2001), as amended and supplemented, which is incorporated by reference herein. UL standards can be obtained through the Underwriters Laboratories website at www.ul.com.
- (B) An equipment package shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards listed in (a) above.
- (C) If the equipment package has been tested and listed in accordance with this section as an integrated package, which includes a generator or other electric source, the equipment package shall be deemed certified, and Heber Light and Power generally will not require further design review, testing or additional equipment.
- (D) If the equipment package includes only the interface components (switchgear, inverters, or other interface devices), an interconnection customer must show that the generator or other electric source being utilized with the equipment package is compatible with the equipment package and consistent with the testing and listing specified for the package. If the generator or electric source being utilized with the equipment package is consistent with the testing and listing performed by the nationally recognized testing and certification laboratory, the equipment package will be deemed certified, and Heber Light and Power will generally not require further design review, testing or additional equipment.
- (E) The Customer Generating Facility must obtain all inspections and permits from the appropriate local government authorities.
- (F) The Customer Generating Facility Equipment must be installed by a licensed electrical contractor.

Billing and Energy Credits

If during a billing period, a customer supplies more electricity to Heber Light and Power than the utility supplies to the customer, then the utility will credit the customer's account for the excess amount. The amount calculated will be based on Heber Light and Power's avoided cost. The "Avoided Cost" for Heber Light and Power is the average cost to obtain electricity from its suppliers. The Avoided Cost will be calculated and set, annually, on January 1. The customer credits obtained in any given year must be used within the same year.

If customer receives electricity from Heber Light and Power then the customer will be billed for the electricity at their normal rate.